

ADULT EDUCATION FINANCIAL REVIEW (10/2011)Fund Sources: ☐ Federal ☐ Section 107 ☐ Tuition/Fees

Agency Name: _____

Review Date: _____

Federal & State Requirements	Actual Method of Verification/Documentation	Compliance		
		YES	NO	N/A
Adult Education Budget				
Does the Agency have a comprehensive Adult Education Budget available for review, that includes all funds that support the Adult Education Program? (Federal Instruction, Federal Institutional, Federal EL Civics, Federal Special Projects, State Aid Section 107, Other Local Funds, Tuition and Fees, etc.)		[]	[]	[]
♦Is the administrative cost used consistent with the allowable Federal WIA Title II 5% administrative cost rate?		[]	[]	[]
♦Has the agency reported Deferred State Aid Section 107 funds?		[]	[]	[]
Cost Allocation				
Does the Agency have a cost allocation plan?		[]	[]	[]
♦Are costs allocated based upon a pre-determined percentage?		[]	[]	[]
♦Are costs adjusted to actual on at least a quarterly basis?		[]	[]	[]
Monthly General Ledger Reports				
Does the Agency have a chart of accounts available for review?		[]	[]	[]

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Monthly General Ledger Reports (cont.)				
♦Is the coding structure consistent with MDE's Pupil Accounting Manual? (Note: Reference Dan Hanrahan's memorandum of Oct. 20, 2004 which reminded schools to show all funds in the general fund.)		[]	[]	[]
♦Does the Agency use the State or Program code indicators to distinguish the adult education revenue and expenditures from those of other programs recorded therein? (Note: Reference Dan Hanrahan's memorandum of Oct. 20, 2004 which reminded schools to show all funds in the general fund.)		[]	[]	[]
♦Are there separate and distinct ledger accounts for Federal Instruction, Federal Institutional, Federal EL Civics, Federal Special Project Funds, State Aid Sec. 107, Other Local Funds, Tuition and Fees, State Alternative Education funds, etc. as required in State School Aid Section 107 (16).		[]	[]	[]
♦Revenue Account Code Structure is in the order of Fund, Transaction Code, Major Class, Suffix, with the remainder of coding locally determined.		[]	[]	[]
-e.g. 10-0-414-0030 for Federal Grant funds		[]	[]	[]
-e.g. 10-0-414-0130 for Federal Prof. Dev. Grant funds		[]	[]	[]
-e.g. 10-0-312-0030 for State Aid 107 funds		[]	[]	[]
♦Expenditure Account Code Structure is in the order of Fund, Transaction Code, Function Code, Object as required. The remaining fields are Program, State Code, Facility/School and Other and are optional at the school district level. -e.g. 11-1-131-1240 for Adult Basic Instruction (grade 1-8) Teaching.		[]	[]	[]
♦Are expenditures allocated to the various funds based upon actual costs and the appropriate share of administrative costs?		[]	[]	[]
♦Are expenditures allowable based upon the Cost Principles in Revised Circular A-87 for State, Local, and Indian Tribal Governments and/or Circular A-122, Cost Principles for Non-Profit Organizations?		[]	[]	[]

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Payroll Reporting				
♦Are staff charged to the federal grants and state and local sources based upon their actual assignment/activity per the OMB Circular A-87 Regulatory Requirement?		[]	[]	[]
♦Are staff completing signed time-sheets charging the appropriate funds on at least a monthly basis? To ensure compliance with OMB Circular A-87, staff should be charged to the federal grants as well as state and other local sources based upon their actual assignments/activities, personnel activity reports must be maintained, and updated account coding must be included on timesheets for each program year.		[]	[]	[]
♦If charged 100% to a federal award/cost objective, are staff completing the semi-annual certification documents as required? These certifications should be prepared at least semi-annually and must be signed by the employee and the supervisory official having first hand knowledge of the work performed by the employee.		[]	[]	[]
Final Expenditure Reports				
♦Are the reports consistent with the year-end expenditure reports of the Agency?		[]	[]	[]
♦Are the reports consistent with the approved budget/revised budget of the Agency?		[]	[]	[]
♦Are all expenditures accounted for through the end of the grant period of June 30th?		[]	[]	[]
♦Does the Agency have supporting documentation for federal cash requests?		[]	[]	[]

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Audit Reports				
♦Obtain a copy of the most recent single audit done by an independent auditing firm?		[]	[]	[]
♦Are there any findings related to the Federal Adult Education funds? Specify.		[]	[]	[]
♦Have the findings been addressed/corrected? If not, what is the current status, and why haven't they been corrected?		[]	[]	[]
♦Obtain a copy(ies) of the most recent ISD audit?		[]	[]	[]
♦Are there any findings related to the State Adult Education funds? Specify.		[]	[]	[]
♦Have the findings been addressed/corrected? If not, what is the current status, and why haven't they been corrected?		[]	[]	[]

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Tuition Rates				
♦Is there a sliding scale of tuition rates based upon a participant's family income as specified in Sec. 107 (17) of the State School Aid Act.?		[]	[]	[]
♦Are any participants funded by Sec. 107 funds whose income is below 200% of the federal poverty guidelines published by the US Dept. of Health and Human Services being charged tuition as prohibited in Sec. 107?		[]	[]	[]
♦Is tuition being charged uniformly?		[]	[]	[]
♦Did the District ensure that the tuition charged per participant did not exceed the actual operating cost per participant minus any funds received under Sec. 107 per participant? How?		[]	[]	[]
Equipment Purchases				
Has the Agency made equipment purchases?				
♦Is documentation of the purchase and an inventory record available for review?		[]	[]	[]
♦Is the equipment available for review?		[]	[]	[]